



NHS Monthly Insight Report



May 2024

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Introduction

Audit Yorkshire is a member of The Internal Audit Network (TIAN), which comprises of seven NHS internal audit consortiums and in house teams operating in England. These organisations collaborate across a number of areas to leverage their collective knowledge and expertise and drive efficiency and effectiveness. The NHS Monthly Insight Report highlights key publications and is intended as a useful update and reference tool. This report is produced by TIAN and shared by Audit Yorkshire.

Developments in the NHS	
<p>NHS England - Pre-election guidance</p>	<p>The pre-election period ahead of the upcoming general election started on Saturday 25 May, and NHSE has issued guidance for the NHS on navigating the pre-election period.</p> <p>https://www.england.nhs.uk/long-read/pre-election-guidance-for-nhs-organisations-general-election-2024/</p> <p><i>For review and action as necessary by all NHS organisations</i></p>
<p>NHS Providers - Pre-election period considerations for NHS trusts and foundation trusts</p>  <p>The 2024 general election: pre-election period considerations for NHS trusts and foundation trusts</p> <p>This briefing sets out considerations for NHS trusts and foundation trusts in the pre-election period leading up to the UK general election on 4 July. It highlights the practical implications around providers' activities, including in relation to integrated care systems (ICSs), and with regard to communications during this period. It also covers the requirements on government, the civil service and arm's length bodies during the pre-election period to maintain political impartiality in carrying out their public duties and ensuring that public resources are not used for the purposes of political parties or campaign groups.</p> <p>Please contact Tony Allen (Tony.Allen@nhsproviders.org) with any queries relating to organisational governance or foundation trust governance, or David Evans (David.evans@nhsproviders.org) for all other queries.</p> <p>1. Election timetable</p>  <p>2. What is the pre-election period?</p> <p>The term 'pre-election period' is used across central and local government to describe the period of time immediately before elections or a referendum when specific restrictions on the activity of civil servants and officials, where appropriate, are in place. These restrictions prevent announcements, from, and activities by public bodies which could influence or be seen to influence the election. The term 'quarant' is also sometimes used to describe this period.</p>	<p>This briefing sets out considerations for NHS foundation trusts and trusts in the lead up to the general election on 4 July 2024. It highlights practical implications around providers' activities and communications during the pre-election period. It also covers requirements on central and local government, the civil service and arm's length bodies during the pre-election period to maintain political impartiality in carrying out public duties and ensuring that public resources are not used for the purposes of political parties or campaign groups.</p> <p>https://nhsproviders.org/media/698696/nhs-providers-pre-election-briefing-2024.pdf</p> <p>For information and guidance</p>
<p>Infected Blood Inquiry - The report</p>	<p>The report has been published by the independent public statutory inquiry established to examine the circumstances in which men, women and children treated by National Health Services in the United Kingdom were given infected blood and infected blood products, in particular since 1970. The report identifies:</p> <p><i>"a catalogue of failures which caused this to happen. Each on its own is serious. Taken together they are a calamity. Lord Winston famously called these events "the worst treatment disaster in the history of the NHS". I have to report that it could largely, though not entirely, have been avoided. And I have to report that it should have been. I have also to report systemic, collective and individual failures to deal ethically,</i></p>

Developments in the NHS

	<p><i>appropriately, and quickly, with the risk of infections being transmitted in blood, with the infections when the risk materialised, and with the consequences for thousands of families.”</i></p> <p>The full report consists of 7 volumes and makes a number of recommendations, including 3 specific areas demanding action by the NHS:</p> <ul style="list-style-type: none">• <i>First, changing the culture, such that safety is embedded as a first principle, and is regarded as an essential measure of the quality of care. Though performance, efficiency, and expense are all important, it should be the safety of care in any health institution that is the aspect in which all its staff take particular pride.</i>• <i>Second, a more rational approach to regulation and safety management, resolving the problems created by the current systems for trying to deliver safer care: which are fragmented, overlapping, confusing, and poorly understood.</i>• <i>Third, ensuring a coherent approach to data – for patients to whom that data relates, and by a body (preferably just one, but if more than one is necessary, then as few as possible) which, with the appropriate consent of the patients concerned, can make use of that data to help identify threats and trends, and better inform protection for others.”</i> <p>https://www.infectedbloodinquiry.org.uk/reports/inquiry-report</p> <p><i>For review and consideration by all NHS organisations</i></p>
<p>DHSC consultation on the NHS Constitution</p>	<p>The DHSC has published its consultation on the NHS Constitution. The NHS Constitution, last updated in 2015, has to be updated at least every 10 years by the Secretary of State for Health and Social Care. The consultation will run for 8 weeks until 25 June 2024. Patients, public and staff, stakeholders and partners can respond via the formal DHSC consultation process.</p> <p>https://www.gov.uk/government/consultations/nhs-constitution-10-year-review/nhs-constitution-10-year-review</p> <p><i>For information</i></p>
<p>DHSC - Making prevention everyone’s business: a transformational approach to personalised prevention in England</p>	<p>This report sets out the recommendations of Professor John Deanfield, CBE, for a more ambitious prevention service, undertaken in his role as the inaugural Government ‘Champion for Personalised Prevention’ between March 2023 and March 2024. It presents digital technologies as the key to delivering personalised prevention at scale. It also recommends that the government commit to the creation of a ‘digital-first National Prevention Service’, delivered through a new ‘one-stop shop’ digital health and wellness portal accessed through the NHS App.</p> <p>https://www.gov.uk/government/publications/making-prevention-everyones-business/making-prevention-everyones-business-a-transformational-approach-to-personalised-prevention-in-england</p> <p><i>For information</i></p>
<p>NHS England - Culture of care standards for mental health inpatient services published</p>	<p>This document, co-produced with NHSE, describes a vision for mental health inpatient services through the application of 12 core commitments and standards. They apply to all NHS-funded mental health inpatient services including children and young people’s mental health.</p> <p>https://www.england.nhs.uk/long-read/culture-of-care-standards-for-mental-health-inpatient-services/</p> <p><i>For information and implementation by Mental Health providers</i></p>

Developments in the NHS

Maternity and Newborn Safety Investigations - National learning report: factors affecting the delivery of safe care in midwifery units



This report looks at common themes of 92 maternity investigation reports, where the safety incident under investigation included care provided in a midwifery unit. It identifies four main themes and findings, which include issues relating to: work demands and capacity to respond; intermittent auscultation; how prepared an organisation is for predictable safety-critical scenarios; and telephone triage.

<https://mnsi-2zor10x7-media.s3.amazonaws.com/production-assets/documents/20240508-MNSI-Delivering-safe-care-in-midwifery-units.pdf>

For information and guidance to providers of Maternity Services

NHS Confederation - Excellence through equality: anti-racism as a quality improvement tool



This report from the NHS Confederation's BME Leadership Network collates examples of initiatives to advance equality for NHS staff and patients, recognising anti-racist work as an integral improvement tool to reduce racial inequalities.

<https://www.nhsconfed.org/publications/excellence-through-equality>

For information and guidance for all NHS organisations

Developments in the NHS

NHS Employers - Making links between health and care and further education



This guide has been developed in collaboration with NHS England and the Association of Colleges. It supports health and care and further education to create a strong relationship to work collaboratively on workforce supply issues.

<https://www.nhsemployers.org/system/files/2024-05/making-links-between-health-and-care-and-further-education-2538.pdf>

For information

Office for Health Improvement & Disparities (OHID)- Guide to Addressing health inequalities across allied health professional services

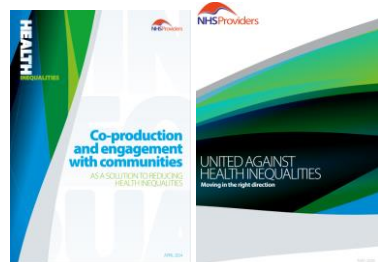
The OHID has published a guide to support the planning, implementation and evaluation of actions to reduce health inequalities in allied health professional (AHP) services. It aims to support AHP leaders to create an environment where addressing health inequalities is routinely incorporated into service delivery.

<https://www.gov.uk/government/publications/addressing-health-inequalities-across-allied-health-professional-ahp-services-a-guide-for-ahp-system-leaders>

For information and guidance

NHS Providers:

- Co-production and engagement with communities as a solution to reducing health inequalities
- United against health inequalities: moving in the right direction



NHS Providers have issued two reports around health inequalities:

- One report outlines the principles of co-production and actions trusts can take to apply engagement methodologies across their organisation. It provides an overview of different forms of engagement and summarises the potential benefits to trusts, including improved patient experience and outcomes, and the delivery of more inclusive health care services that better meet the needs of local communities. The report also makes the connection between engagement, co-production and the broader health inequalities agenda, unlocking the potential for collaboratively developing solutions to address complex barriers to health services experienced by some communities. <https://nhsproviders.org/co-production-and-engagement-with-communities-as-a-solution-to-reducing-health-inequalities>
- The second report shares the results of a recent NHS Providers member survey, providing an update on the progress members have made in tackling health inequalities in the past three years.

For information and guidance for all NHS providers

Developments in the NHS

NHS England - NHS productivity

This paper from Julian Kelly, Deputy Chief Executive and Chief Finance Officer at NHSE, discusses the effects the pandemic has had on NHS productivity, with details of NHSE's estimates for the drivers of the loss of productivity observed. The paper discusses the emerging plan to improve productivity in the coming years.

<https://www.england.nhs.uk/long-read/nhs-productivity/>

For information

Centre for Health Economics - Productivity of the English National Health Service: 2021/22 update



This report finds that NHS productivity grew substantially between 2020/21 and 2021/22 (14% to 15% depending on the method used). However, when compared to 2019/20, productivity in 2021/22 remains substantially lower (by about 13%). This suggests that despite a substantial recovery, there remains a considerable gap between NHS productivity before the pandemic and in 2021/22.

<https://www.york.ac.uk/media/che/CHE196.pdf>

For information

Institute for Fiscal Studies - The past and future of UK health spending



Health spending, and the performance of the NHS, will feature prominently in the upcoming general election campaign. Many different factors matter for NHS performance and for the wider health of the population, but one important factor is the level of spending on health services. This pre-election report examines UK government health spending over the past seven decades. It then discusses the outlook for health spending over the years to come.

<https://ifs.org.uk/sites/default/files/2024-05/IFS-REPORT-The-past-and-future-of-UK-health-spending.pdf>

For information

Developments in the NHS

NHS England - update to finance business rules for 2024/25

NHSE has issued an update to its finance business rules for 2024/25 detailing a system of capital bonuses and penalties to encourage systems to hit financial plans. The rules recognise that not all systems will be able to achieve financial breakeven in the current year. The new rules aim to reduce the total funding gap and ensure plans are affordable within the overall NHS England budget.

As part of the updated approach, each system has been set a revenue financial plan limit based on an assessment by NHSE of how close it can get to breakeven. Systems given a deficit limit will then receive a non-recurrent revenue allocation equal to the value of their deficit limit, which will have to be repaid in line with existing business rules. However, NHSE has separately calculated each system's "fair share" of deficit funding – the additional revenue the system would have received through the core target allocation formula if all available resource for the year had been allocated. There are then a complex series of bonuses and penalties that systems can earn or incur to reward effective financial management.

- A system that has a breakeven plan limit will receive no deficit funding. But it will earn a capital allocation bonus worth 30% of the difference between its break-even limit and its notional fair share of deficit funding. And if it achieves its plan in 2024/25, it would be given access to the balance of its notional fair share of deficit funding, after adjusting for any historic deficits, through a combination of 50% revenue and 50% capital in 2025/26.
- Systems with deficit limits will face potential capital deductions worth 15% of the difference between their deficit allocation and their fair share of deficit funding, although this will be capped at 10% of the system's core capital allocation. The amount of deficit funding received, over and above the system's notional fair share, minus any capital adjustment, will need to be repaid in future years.
- Systems with a deficit limit that is below their fair share of deficit funding will face no capital adjustment.

The NHS England update warns that '*any system that fails to deliver on its financial plans will necessarily be subject to immediate nationally imposed spending restrictions*'. <https://www.hsj.co.uk/download?ac=3065430>

For noting and action as necessary by all NHS bodies

International Accounting Standard Board (IASB) - New subsidiaries accounting standard issued

The IASB has issued a new accounting standard – IFRS 19 Subsidiaries without public accountability: disclosures. Before the standard is applied by NHS bodies it will need to be endorsed by the UK Endorsement Board and adopted and adapted for public sector use by the Treasury in the Financial reporting manual (FRM).

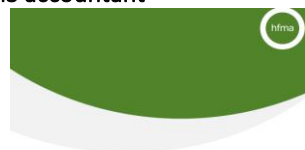
The standard is applicable for periods beginning on or after 1 January 2027, but early application is allowed. The standard applies to subsidiary bodies that have an ultimate or intermediate parent body that produces consolidated financial statements in accordance with international financial reporting standards (IFRS). Where an entity elects to apply IFRS 19 then it does not need to apply all the IFRS disclosure requirements, instead it makes reduced disclosures. The standard is intended to allow subsidiaries to align their accounting policies with the group and, therefore, maintain a single set of accounts.

<https://www.ifrs.org/news-and-events/news/2024/05/iasb-simplifies-financial-reporting-for-eligible-subsiary-companies-with-new-ifrs-accounting-standard/>

For information and implementation in due course by bodies with subsidiaries

Developments in the NHS

HFMA Briefing - Ethical standards: roles and responsibilities of the NHS accountant



Ethical standards: roles and responsibilities of the NHS accountant

02 May 2024



The pressure to deliver more and more healthcare services, and produce a balanced financial position means that the requirement for NHS finance professionals to maintain ethical standards is more important than ever.

Finance professionals have many opportunities to use their discretion. While some transactions are straightforward, the preparation of financial reports and estimates requires judgement.

The finance function has a crucial role to play in the NHS. As well as carrying out the day-to-day financial processes for large organisations, finance professionals are integral to governance arrangements and demonstrating accountability. It is important to understand and consider the pressures they face, their professional responsibilities and how they can be supported.

Professional standards and codes of conduct are vital to help determine the right course of action when faced with an ethical dilemma.

In the NHS, finance staff have a responsibility to meet both the regulatory standards of the NHS and the ethical standards of professional bodies. The ethical standards and safeguards are in place to support accountants when they face ethical dilemmas. Transparency in process, information and actions is key.

This briefing, updated in May 2024, explores the ethical dilemmas facing NHS finance staff; provides a reminder of ethical requirements; and sets out what NHS finance staff can do to ensure ethical standards are met.

<https://www.hfma.org.uk/publications/ethical-standards-roles-and-responsibilities-nhs-accountant>

For information and guidance

HFMA – NHS Environmental Sustainability Guidance Map



The NHS is the largest employer in the UK, and the health and care system in England is responsible for an estimated 4-5% of the country's carbon footprint. With a wealth of material available, the HFMA's Environmental Sustainability Special Interest Group has created a map of key guidance to support members in developing an effective approach to environmental sustainability. Aimed at all those working in the NHS, in particular NHS boards, finance teams and clinical colleagues, the purpose of the map is to highlight the published resources that support the development of environmental sustainability in the NHS.

The map is a helpful tool with links to key documents all in one place, and is split into three sections:

- Strategic framework
- Enabling environmental sustainability
- Specific examples of environmental sustainability.

The map will be updated periodically as new guidance is produced.

<https://www.hfma.org.uk/system/files/2024-05/ES%20guidance%20map%20updated%20May%202024.pdf>

For information and guidance

Disclaimer: This briefing paper is intended to highlight recent developments and issues within the NHS that may be of interest to non-executive directors, lay members and NHS managers. It is not exhaustive and TIAN cannot be held responsible for any omission.

